



Memo

**To: The Growing Michigan Together Council**

From: Megan Owens, Transportation Riders United

Dated: September 5, 2023

**Re: One critical population answer: Invest in Transit!**

Governor Whitmer appointed the Growing Michigan Together Council to “advise the governor on specific policies to grow Michigan’s population” and “set Michigan up for success in the 21st Century.” The Infrastructure and Places Workgroup is tasked “to propose long-term, sustainable, and equitable funding solutions for Michigan’s multi-modal transportation systems.”

***A critical part of Michigan’s population solution must be robust investment in public transportation.***

It can be hard for people who enjoy driving to fully understand the monumental impact of Michigan’s poor transit on those who cannot and the importance of providing transportation options. This memo strives to overcome that and to:

- Explain why transit is essential
- Provide a breadth of studies, surveys, articles, and editorials in support
- Offer concrete action steps the Council should recommend.

While Michigan has many wonderful attributes and amenities, **we have consistently failed to address the needs of people who want mobility options beyond driving.** The way Michigan has funded transportation for decades makes it unreliable or impossible for most people to walk, bike, or use public transportation to get to school, work, shopping, and other destinations.

Many people cannot afford the costs of maintaining and insuring a car, which costs the average household fully 24% of their entire household income. For young people with student loans, expensive housing, and low-paid jobs, living in a place where a car feels like a necessity is just unaffordable.

***While many people love their cars, Michigan needs to be a state that welcomes and works for everyone, not just well-off physically-abled people.***

Many of Michigan's young people are leaving for urban areas elsewhere - whether that's Chicago, Atlanta, Denver, DC, Minneapolis, or Boston - and one common factor is the ability to live in a vibrant community where cars are an option, not a necessity. **Big investment in public transit would enable the vibrant walkable communities that many people prefer to live in** - especially the educated younger professionals vital to Michigan's economic development.

But don't take our word for it. Appendix 1 provides more than twenty studies, surveys, reports, and editorials of local and national experts, community leaders, and residents explaining why investing in public transit is essential for building and maintaining Michigan's population, especially young people, including:

- “More than **75% of millennials said it is important for their city to offer opportunities to live and work without relying on a car**. 66% said that access to high quality transportation is one of the top three criteria when deciding where to live.”
  - Rockefeller Foundation study
- Crain's Detroit found 73% of millennials put regional transit at the top of their wish list. If we want to grow our economy and keep our young people here, **regional transit is a must.**
  - Dennis Cowan, CEO of Plunkett Cooney
- When asked **what will get young professions to stay** in the Detroit area, “The biggest trends here in Detroit were **mass transit**, greenways and regional government.”
  - Great Lakes Urban Exchange
- “Coming out of the Coronavirus pandemic demand for living in a walkable community remains robust. **Millennials want their community leaders to provide convenient alternatives to driving**, such as walking, biking, and public transportation. **Gen Z wants to live near transit** more than any other generation.”
  - National Association of Realtors
- “**In order to compete, Michigan must also offer a complete transit system** that works seamlessly to move people. Shifting our investment from a purely auto-based approach is essential as we strive to keep and attract talent through the development of our places.”
  - Michigan Municipal League

And while transportation technologies are changing, the need for vibrant walkable communities connected by convenient affordable transportation options will not change. Future buses, shuttles, and trains may be electrically operated autonomously, but will still remain important.

For those reasons and more, a centerpiece of Michigan's plan to boost our population must make serious investments in public transportation. It's an investment that will pay enormous

dividends, in not only boosting our population, but also providing more equity and accessibility for everyone.

Specifically to develop the high quality transit essential to boosting Michigan's population:

- 1) **Direct and fund** the **MDOT** Office of Passenger Transportation to explicitly work **to support transit expansion** in communities throughout Michigan. Right now, there is no one in state government dedicated to expanding access to transit.
- 2) **Michigan must invest \$1 billion a year in transit**, rail, pedestrian/bike safety, and walkability. That's roughly double what's spent now, but still just 15% of MDOT's total budget and would put Michigan more in line with states like Pennsylvania and Minnesota.

Additional detailed recommendations are provided in Appendix 2 below, including modernizing MDOT's investment prioritization, supporting safe walkable streets, and eliminating barriers to local transit investments.

Effective investment in public transportation can not only address Michigan's population challenges, but can play a critical role in addressing Michigan's challenges in affordability, inequity, the climate crisis, education gaps, and more. It can be a true win-win-win, if Michigan makes the necessary investments, politically and financially.

This is provided on behalf of Transportation Riders United, Michigan's top transit advocacy organization, based on two decades experience in transit-related research, engagement, mobilization, coalitions, and advocacy around a wide range of transportation discussions. I hope this can be a useful resource and offer our ongoing support in your important efforts.

## Appendix 1: Data shows young people want transit and will move to places that have it.

“More than 75% of millennials said it is **important for their city to offer opportunities to live and work without relying on a car**. And 66% said that access to high quality transportation is **one of the top three criteria they would weigh when deciding where to live**. More than half (54 percent) of Millennials surveyed say they would consider moving to another city if it had more and better options for getting around.

“Young people are the key to advancing innovation and economic competitiveness in our urban areas, and this survey reinforces that **cities that don’t invest in effective transportation options stand to lose out in the long-run**,” says Michael Myers, a managing director at The Rockefeller Foundation. “As we move from a car-centric model of mobility to a nation that embraces more equitable and sustainable transportation options, Millennials are leading the way.”

- Rockefeller Foundation survey in 2014, [“Access to Public Transportation a Top Criterion for Millennials When Deciding Where to Live.”](#)

“The American Dream no longer means a comfortable home in the suburbs. Millennials are fueling an urban revolution looking for the vibrant, creative energy of cities. They’re walkers and **less interested in the car culture** that defined Baby Boomers.

“More than any other generation, they have expressed a **preference for walkable communities with good public transportation options**.”

- The Nielson Company 2014 report, [“Millennial - Breaking The Myths”](#)

In neighboring Wisconsin, “75 percent of students surveyed said it was either **“very important”** or “somewhat important” for them **to live in a place with non-driving transportation options** after graduation.”

- [“Millennials on the Move](#),” a survey of 612 college students across 24 campuses

Here in Michigan, “At a series of community conversations with city officials and **young residents** of Wayne, Oakland and Macomb counties, there was general recognition of the **need to move beyond the automotive economy and get a more reliable, regional transit system**.”

- [“Millennial congress goal: Help area move beyond an automotive economy](#),” Crain’s Detroit Business

When asked **what will get young professions to stay in the Detroit area**, “Of 82 initial responses, the biggest trends here in Detroit were **mass transit**, greenways and regional government.”

- Great Lakes Urban Exchange in Crain’s article, [“GLUEing together a region: Campaign asks young professionals what it will take to make them stay here.”](#)

More recently, **“Generation Z are getting their driver’s licenses at lower rates** than their predecessors. Unlike previous generations, they don’t see cars as a ticket to freedom or a crucial life milestone. The number of 16 and 17 year olds with driver’s licenses are down 25 and 45%. “Their thumbs have become much more mobile than their legs,” said Ming Zhang, a professor of regional planning at the University of Texas at Austin.

- [“I’ll call an Uber or 911’: Why Gen Z doesn’t want to drive,”](#) Washington Post, Feb 13, 2023

Dozens of studies and experts over decades have documented the importance of public transit for growing communities.

**“Access to public transportation is an extremely valuable community amenity** that increases the functionality and attractiveness of neighborhoods, making nearby communities **more desirable places** to live, work and raise a family,” said National Association of Realtors 2019 Vice President Charlie Oppler.

“Transportation costs in transit-oriented areas are significantly lower than in other regions, with an average annual savings of \$2,500 to \$4,400 for the typical household. **Neighborhoods with high-frequency public transportation are in high demand.**”

- [“The Real Estate Mantra – Locate Near Public Transportation,”](#) a joint report by **National Association of Realtors** and American Public Transportation Association in 2019

**“Urban young adults without children make these decisions primarily based on** whether a city is “easy to get around,” with **“plenty of public transit options available.”** Nearly two-thirds of millennials report a preference for mixed-use communities with a variety of businesses and entertainment options clustered together.

- **According to the Transportation Research Board** in 2015: [“Millennials On The Move: Attracting Young Workers Through Better Transportation”](#)

**“When looking for a place to settle, the most important criteria** for those aged 24-44 is **easy access to transit.**”

- [“Urban revival by Millennials?](#) Intraurban net migration patterns of young adults, 1980–2010,” published in 2019

“A nationwide survey and extensive interview and focus groups with recent movers made it clear that **this younger generation was looking for places that were interesting, diverse, dense, walkable, bikeable and well-served by transit.**”

“Because mobility declines rapidly with age, the location decisions they make in their 20s and early 30s play a key role in shaping metropolitan economic success.”

- A 2014 City Observatory report “[The Young and Restless and the Nation’s Cities](#)”

“Coming out of the Coronavirus pandemic **demand for living in a walkable community remains robust**. The survey shows that people living in walkable communities are more likely to be very satisfied with their quality of life and that over 30% of Gen Z and Millennial respondents are willing to “pay a lot more” to live in a walkable community.

“More than any other generation, **Millennials want their community leaders to provide convenient alternatives to driving**, such as walking, biking, and public transportation. **Gen Z wants to live near transit** more than any other generation.”

- The most recent [Community and Transportation Preferences Surveys](#) from the National Association of Realtors from April 2023 of 2,000 adults

This is true locally. “Thriving metropolitan regions around the world have multi-modal transportation systems that connect and support all users, from pedestrians and bicyclists to public transit riders and auto drivers. **In order to compete, Michigan must also offer a complete transit** and transportation system that works seamlessly to move people. Shifting our investment from a purely auto-based approach is **essential as we strive to keep and attract talent** through the development of our places”

- **Michigan Municipal League 2013** “[Partnership for Place](#) report: **An Agenda for a Competitive 21st Century Michigan:**

Local civic, media, and business leaders have echoed the demand for better transit for decades.

“**Ask young people what they value in a city** — attracting and retaining young people is an important part of reversing Michigan’s population loss — and they invariably name transit.

“Got mine. You’re on your own. That’s the mentality that’s kept metro Detroit struggling as other regions have soared.”

- **Detroit Free Press Editorial Board:** “[Not again! Don’t derail metro Detroit transit hopes for 27th time,](#)” 2016

“I’m worried that **young college graduates are giving up on Southeast Michigan**, in part because they don’t feel there’s opportunity here. In surveys and at forums, they tell us **we need more of the big-city feel** they find in Chicago, Atlanta or even Washington.

“Our local political leaders trot the globe trolling for new jobs for the region. Yet they just don't "get it" when it comes to transit.”

- [“Public transit is key to region's growth,”](#) by Mary Kramer, Vice President of Crain Communications, in 2004

“Cities like Denver and Salt Lake City are investing in regional transit. These cities and regions are getting the importance of investing in infrastructure. **Millennials want bike lanes and they want mass transit**, all these things we keep hearing from millennials.”

- [“Young talent continues to flee Michigan,”](#) by Kurt Metzger, director emeritus of Data Driven Detroit in 2016 in Crain's

Gilbert said **Detroit will have to boost its public transportation system if it wants to remain competitive in attracting younger workers.** “I think it's clear,” he said. “You do all these surveys. (Amazon has) done their own surveys, too. It's almost consistent whenever you talk to someone who is under 30, 35 years old, getting around a city, mass transportation seems to be (important).”

- “Gilbert to DC audience: **Detroit must expand transit,**” 2018, Detroit News

“There's this wonderful quote from the publisher of Forbes: **"Smart people tend to be mobile. Watch where they go. Because where they go, robust economic activity will follow."**

Michigan needs to look forward and follow the lead of other cities such as Portland, Seattle and Atlanta, which endured weak economies but began to concentrate on young talent and eventually pulled out of the muck.”

- [“Stores, transit, walkability: To attract millennials, appeal to their desires,”](#) 2007, Michigan Future co-founder and President **Lou Glazer** in Crain's

**“The young talent we seek to keep or attract are selecting communities with high-quality transit — with businesses and investment following. A survey of 350 national CEOs ranked transit near the top of qualities that matter in considering our region.** And Crain's Detroit found 73 percent of millennials put regional transit at the top of their wish list. If we want to grow our economy and keep our young people here, regional transit is a must.”

- “Invest strategically in regional transit,” 2016 **Detroit News** opinion by Dennis Cowan, CEO of Plunkett Cooney

“Today, **cities live and die on their ability to move their citizens around. Young people flock from transit-lacking places like Detroit** to cities like Portland, New York and San Francisco because a life without a burdensome car is entirely possible.”

- [“Metro Detroit needs a transit revolution,”](#) Detroit Free Press op-ed, by Detroit Transportation Commission member and young small business owner Andy Diderosi

## Appendix 2: Solving public transportation entails political will, investment, and action.

As I shared in a Crain's op-ed on this subject, "the best time to make bold transit investments would have been twenty years ago. The second best time is now. It's time for Governor Whitmer's administration to stop treating public transit as a nice-to-have that maybe they'll get around to someday. It's time to make a billion dollar investment in a world-class transit system."

Two of the most essential actions the state needs to take to develop the high quality transit essential to boosting Michigan's population include:

- 1) **Direct and fund the MDOT Office of Passenger Transportation to explicitly work to support transit expansion** in communities throughout Michigan. Right now, there is no one in state government dedicated to expanding access to transit.
- 2) **Michigan must invest \$1 billion a year in transit**, rail, pedestrian/bike safety, and walkability. That's roughly double what's spent now, but still just 15% of MDOT's total budget and would put Michigan more in line with states like Pennsylvania and Minnesota.

Additional changes needed to bring about a reliable, attractive transit system fall into three broad categories:

- 1) Modernize MDOT
- 2) Make transformational investments
- 3) Eliminate barriers to local transit success

### MODERNIZE MDOT

#### 1) Quantify and Improve Transit Access

For people to take public transportation, it must be available and accessible in the places people live. In order to achieve that, MDOT's Office of Passenger Transportation (OPT) needs a direct mandate to **quantify the public transportation that currently exists** across all of Michigan, **identify gaps** where communities lack sufficient public transportation) based on their population and job density and other relevant factors), **and support efforts to fill in those gaps**.

The OPT does a good job of what it has been mandated to do, particularly supporting rural transit agencies and getting them federal and state funds for buying new buses. They also need an explicit mission of measuring and consistently quantifying transit access throughout the state, and then making plans to expand that access.

Quantifying transit access is also a critical step in implementing the MI Healthy Climate Plan commitment to “increase access to clean transportation - including public transit - by 15% a year.”

Because Michigan is such a diverse state, different communities need different types of transit. Every part of Michigan needs some level of public transportation, at minimum ensuring that no senior or person with a disability is trapped at home when they can no longer drive. Michiganders within the federally-defined urbanized area need regular fixed route bus service available to everyone to connect to jobs and other opportunities. And people living in high-density neighborhoods and along major corridors should have rapid transit running every 10 minutes, ensuring Michigan offers the vibrant car-optional communities many people move elsewhere to find.

MDOT should have public conversations among riders, elected officials, and others to set expectations for what public transportation all Michiganders should have. Then to develop a plan supporting local communities to accomplish that.

## 2) Modernize MDOT Prioritization

The Michigan Department of Transportation still too often acts like its predecessor, the Michigan Department of Highways. **A modern Department of Transportation** does much more than fill potholes and build roundabouts; it **should advance the state’s goals** by providing a more **affordable, equitable, climate-friendly transportation** system that works for all Michiganders. That is what many young professionals leaving Michigan have been asking for.

The existing siloed approach to transportation decision-making ignores the integrated nature of our transportation network and how people want to get around in the 21st century. MDOT should be directed to evaluate and prioritize projects based on transparent, quantifiable metrics that match the state’s and agencies stated values. Consider not just traffic flow but also climate impact, pedestrian safety, accessibility, and other essential metrics when deciding where to invest the state’s transportation funding. Projects should be selected that provide the highest return on investment for Michiganders, regardless of whether they’re classified as road building, transit, or systems management. Then report back on impacts of project investments after they’re completed. The Virginia Smart Scale program is a great example to consider.

This should also include not widening any highways. Since Michigan’s population has barely increased in forty years; it’s time to stop building and widening more roadways, even for so-called “flex lanes.” We can’t afford it and it only enables greater sprawl and urban disinvestment.

## MAKE TRANSFORMATIONAL INVESTMENTS

Michigan must address constraints on funding that have starved transit agencies of sufficient funding for decades. Only with major increases in state funding and thoughtful prioritization of federal funding can Michigan become a vibrant attractive place to live, work, visit, and invest.

## 3) Restore Investment in Local Bus Operating (LBO)

**Expanding transit access will require public investment.** At one time, the State of Michigan covered half the cost of running public transit in urban areas and 60% of the cost in rural areas, but that investment has been declining for decades, covering less than 1/3 in recent years. These funds are vital to enabling operations of all of Michigan's 77 local public transit services, which cover every one of Michigan's 83 counties. As state investments decline, local communities must either strive to raise local property taxes, which not all can do, or else gut essential transit services riders depend on.

While bus service may not be the sexy projects that get headlines and attract development, we can't have a successful rapid transit system without a reliable, consistent network of buses. They're essential for people who must or choose to live without a car.

**Michigan must restore state investment in LBO with dedicated funds** that are not subject to every shift of Michigan's political or economic winds. This will enable transit agencies throughout the state to overcome the driver shortage that has plagued many agencies in recent years and to instead provide the consistent, reliable transit Michiganders need. While that may cost \$100 million, the benefits of achieving that far outweigh the costs. And it's less than the cost of adding flex lanes to a few miles of highway.

#### **4) Make Transformational Investments in Transit Capitol and Rail**

While LBO provides the critically essential operating funds for each community's transit, Michigan also needs to invest in the vehicles, buildings, and other infrastructure necessary for quality transit. After decades of disinvestment, Michigan needs to not just update dated infrastructure, but to **make the bold investments that will bring Michigan's non-road infrastructure into the 21st century.**

Many major corridors in Michigan's larger cities have the opportunity and need for true rapid transit - which can be light rail or bus rapid transit (as long as it has dedicated lanes, high frequency, and enhanced stations). **Woodward, Michigan, and Gratiot** in metro Detroit, **Washtenaw** in the Ann Arbor area, and **Michigan Ave** in the Lansing area **have all been evaluated as ready for rapid transit**, they just lack the necessary funding to be accomplished. Rapid transit projects in moderate and large cities are among the top amenities young professionals want that Michigan fails to provide. (The Grand Rapids area has invested in rapid transit over the past decade and happens to be one of Michigan's fastest growing cities.)

There are unprecedented levels of federal funding available for transit and rail projects, which Michigan can and must seize. States have a great deal of flexibility in how they invest federal infrastructure funds - **Michigan should flex federal funds to support needed transit and rail** investments to ensure a balanced transportation network, not just more unsustainable highways.

Federal funds generally cover just part of the cost and most require matching local and state investments. Michigan has lost out on billions in potential federal investments because we fail to invest locally - that must change. Using not only one-time funds, but **every year, the state of Michigan must fund the development of rapid transit throughout and between Michigan's cities.**

Beyond the larger cities, Michigan has substantial rail infrastructure that connects our cities, but only portions of it are used for passenger service. MDOT has a state Rail Plan that deserves major investment. It includes boosting existing Amtrak service and developing coast-to-coast, north-south rail

service, and rail linkages with Windsor-Toronto and Toledo-Cleveland. While the costs are not insignificant, these investments could be transformational in not only connecting big cities like Detroit, Lansing, and Grand Rapids, but also improving connections with communities like Traverse City, Cadillac, Mt Pleasant, Owosso, Alma, Holland, Plymouth, and others.

## 5) Prioritize Transit in Future Transportation Funding

As changing technologies and travel patterns change the way Michigan raises money for transportation infrastructure in the future, lawmakers must ensure dedicated streams of funding for public transportation. Whether transportation is funded through a vehicle-miles-traveled charge, a carbon tax, general funds, or other means, providing a breadth of reliable, affordable transportation options will remain vital. Transit must be a central part of all future funding conversations.

# ELIMINATE BARRIERS FOR LOCAL COMMUNITIES

## 6) Enable Local Funding Options

The state also needs to **provide local communities more options for funding public transit themselves**. Most major metropolitan areas across the US fund most of their transit through a dedicated county or regional sales tax, but Michigan's constitution doesn't currently allow that. It will take a while, but Michigan needs to amend the constitution to **allow counties** that want to **use the sales tax to invest in transit** to do so. Even a ½ cent sales tax in a few counties would go a long way towards funding the high quality transit options many Michiganders want.

The legislature should also enable other funding mechanisms. The OPT should be directed to support local communities that want to improve and expand their public transportation. They can study what the keys are to success and actively support Michigan communities that want to provide a greater investment

Many Michigan cities and metro regions want to invest in high quality transit and active transportation but are held back by state laws. In addition to boosting state investments in transit, Michigan lawmakers need to change state laws to enable local communities to make the investments that are right for them.

Provide more local funding options. Initially, that should include parking fees, toll revenues, income taxes, hotel and liquor taxes, and other mechanisms. Ultimately Michigan leaders need to amend the state constitution to allow local sales taxes and end the 10% transit funding limit.

## 7) Amend RTA to Allow More Flexibility

The Regional Transit Authority of Southeast Michigan was created by state law to address the transit limitations of our state's largest region. Despite voter support by more than 894,000 Michiganders in 2016, a few politicians have been able to prevent RTA from going back on the ballot ever since.

**The legislature needs to amend the RTA law** to allow fewer than four counties to invest together and to allow counties that provide countywide transit to include urbanized areas in new RTA funding measures.

## **8) Champion Safe Mobility for All**

Transit is one essential part of the mobility landscape many people desire for Michigan. Safe, convenient walking, biking, and using wheelchairs are also essential yet often feels like an afterthought to car travel. MDOT is in charge of many major roadways in our cities and has for too long prioritized auto traffic performance over communities achieving their local goals of walkability, pedestrian safety, and the accompanying local economic benefits.

State leaders need to **give Michiganders walking, biking, and using wheelchairs and transit truly equal priority as drivers** on all full-access roadways. MDOT and Transportation Commission leaders need to have substantial multimodal experience. MDOT needs to expand and enhance implementation of Complete Streets on state trunk-lines and to regulate roads to prioritize pedestrian and bicyclist safety, not the convenience of car passengers. And MDOT should fund the maintenance of bus and bike lanes on state trunk lines instead of forcing that cost onto locals.

These investments and policy changes can put Michigan on track to provide all Michiganders the affordable, accessible transportation choices we all deserve, while making Michigan a more attractive, sustainable state ready to compete for residents and businesses in the 21st century.